

Mid-Week Markets Recap: April 22, 2026

Key Takeaways

- President Trump's recent Executive Order paves the way for Psychedelic Treatments
 - John Ternus set to take over Tim Cook as Apple's new CEO
 - Pending Warsh's appointment, the Federal Reserve is set to experience change
 - Tesla falls along the likes of Amazon, Alphabet, and Microsoft when it comes to heightened capital spending
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President Trump Signs an Executive Order Aimed at Accelerating Psychedelic Treatment for Mental Illness's

"Shares of psychedelic drug makers largely advance following the President's recent executive order"

Shares of psychedelic drug makers advanced sharply Monday morning, following the Trump administration's new executive order. Some of the notable names that took part of this move were Atai Life Sciences, Definium Therapeutics, and Compass Pathways. Of these names, Compass saw the largest move with a 48% rise from its Friday close.

The executive order was issued on Saturday and contained a wide range of orders and stipulations. The most notable, however, was a directive aimed towards the provision of National Priority Vouches to certain, approved psychedelic treatments. This would accelerate the time it takes for the FDA to review a treatment from ten to twelve months to one to two months. Alongside this directive, the order also included a stipulation that requires the HHS to allocate \$50 million through the Advanced Research Projects for Health program towards matching investments made by state governments for research into these types of treatments. Psychedelics have long been a taboo topic within the White House, but this recent order changes this narrative.

What's also unique about this order is the motivation behind it, or specifically the treatment that prompted it. Ibogaine, a psychedelic drug derived from the roots of certain African shrubs, has recently gained traction across the nation, and even that of the President's. It has the potential to combat addiction, PTSD, and even depression. While research was halted on it during the 90's, recent traction and research has started its comeback, and has even, in a way, allowed for the recent executive order signed on Saturday. Ibogaine is just one of many psychedelic treatments, but for now it remains the focal point, especially after the recent order that was signed.

Tim Cook Steps Down as CEO of Apple

“Apple announces that Tim Cook will step down as CEO after fifteen years at the helm”

Monday evening Tim Cook, the CEO of Apple, announced that he would be stepping down from his role after fifteen years of service. Under his leadership, the company experienced significant growth and became the first U.S. company to reach a \$1 trillion valuation. Cook is expected to remain in the role until September 1, after which he will transition to executive chairman of the board. John Ternus, the company's vice president of engineering, is set to succeed him.

Ternus has been with the company for twenty-five years, a period in which he oversaw multiple lines of Apple products, including the most recent MacBook Neo. He also had significant contributions towards the development of the company's iPads and AirPods. The background is there, and the stage is set, yet investors aren't certain. Even during Cook's tenure, markets began to question Apple's ability to innovate beyond its core products, as it appeared to lag some of its peers. This is now something Ternus is faced with, and ultimately responsible for handling.

The priority that first comes to mind is the integration of AI across the Apple ecosystem, an effort that has recently stalled. Alongside this, the integration of AI within the workforce also comes to mind, as many competitors have started to do the same. Beyond artificial intelligence, expanding content offerings and diversifying the product lineup remain key priorities as well, areas that Ternus is expected to oversee. For now, it's difficult to expect answers to these questions anytime soon, but nevertheless, it's important that Ternus makes it clear to markets that these are areas he plans to focus on, areas that have the potential to take Apple to the next level.

Kevin Warsh Testifies in Front of Senate

“Kevin Warsh's recent hearing provides clarity into how the Fed may look under his tenure”

Tuesday morning, Kevin Warsh testified in front of the Senate Banking Committee prior to his confirmation as the next Chair of the Federal Reserve. The meeting received heightened investor focus given the nature in which Kevin Warsh was appointed. While the confirmation of Warsh was not confirmed in this hearing, it still provided exposure to some of the concerns preceding his potential tenure.

The focal point across the board remained the independence of the Fed, given the recent pressure applied by President Trump. Warsh had made it clear, throughout the hearing, that he would remain independent, and that he was never asked by the current President to cut rates. Late last year Trump stated that Warsh believes rates should be cut, and even hours before the hearing Trump stated that he'd be disappointed if the new Fed chair refused to cut rates. With conflicting statements between both parties, uncertainty remains at large when it comes to Fed independence. While the Fed Chair alone doesn't have the authority to unilaterally lower rates, the position still carries significant influence, and any threat to that power is what has many concerned.

Outside of the topic of independence, Warsh also discussed what the Fed would look like under his tenure. A tighter balance sheet, the potential for fewer FOMC meetings, and the elimination of future guidance were

some of the initiatives that he had brought up. The materiality of these initiatives is, of course, dependent upon his confirmation. Nevertheless, Warsh is intent on bringing change, and this has been made clear after his recent remarks. For many, the confirmation is seen as all but done and, really, carries little immediate concern. Instead, attention is placed on how Warsh will perform in this role, particularly given the recent pressure placed on the Fed by the current administration.

Tesla Reports its Q1 Earnings

“Despite recording continued revenue and EPS growth, shares of the EV maker still fell”

On Wednesday, after market close, Tesla reported its Q1 earnings. The first quarter was mixed, as revenue fell below analyst expectations, while EPS came above. However, alongside these metrics Tesla also announced plans of increased spending to follow in the year ahead. This announcement overshadowed otherwise solid earnings and drove the post-earnings decline, which ultimately caused shares to fall following the report.

For the quarter overall revenue came in at \$22.39b, a 16% increase on a YoY basis. Analysts were expecting \$22.96b. While revenue may be growing, vehicle sales have not. In Q3 of 2025, Tesla had delivered 497,099 vehicles, and the following quarter 418,227. This quarter, the number was 358,023. Vehicle sales have continued to fall which falls to a combination of the recent removal of the Federal E.V. credit, and heightened competition within Asian markets. EPS had come in at \$0.41 per share, while analysts were expecting \$0.39 per share.

In this earnings report, however, it wasn't the financials that disrupted investor sentiment, it was spending. For the year, Tesla announced spending plans of up to \$25b in 2026. For reference, in 2025 the company had spent \$8.5b. This spending will be centered around Tesla's recent AI-related initiatives, and its Robotaxi and Optimus ventures. Within the announcement of these plans, Tesla also announced that this heightened spending will result in negative free cash flow for the rest of 2026.

Heightened spending was a central theme to start the year with the likes of Amazon, Microsoft, and Alphabet announcing plans to spend double what they had in the previous year. Tesla now joins this list as well, following its recent announcement. Investor sentiment was negative in response, but the company assured that it was necessary to take that next step. When it comes to Tesla, all of its shareholders are much more forward-looking than the ordinary investors. It's this thought process that has driven shares to such high valuations, and continues to do so. Theoretically, it should be assumed that these ventures require this level of spending, and it has in the past. However, what shook investors wasn't necessarily the plans themselves, but rather the rate at which they would be increasing. Spending continues to remain a sensitive topic this year, and Tesla's recent earnings reinforce that.